



General Assembly

February Session, 2006

Raised Bill No. 5273

LCO No. 1533

* ____HB05273PD____041706____*

Referred to Committee on Environment

Introduced by:
(ENV)

AN ACT CONCERNING THE TAXATION OF CERTAIN PUBLIC GOLF COURSES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2006, and applicable to assessment*
2 *years commencing on or after October 1, 2006*) (a) "Public golf course land"
3 means any golf course consisting of at least twenty-five acres of land
4 that is open for use by the public for golfing, derives at least fifty per
5 cent of its annual revenues from daily fees or group outings and
6 consists of not less than nine golf holes.
- 7 (b) An owner of land may apply for classification as public golf
8 course land on any grand list of a municipality by filing a written
9 notice for such classification with the assessor thereof not less than
10 thirty days before and not later than thirty days after the assessment
11 date, provided in a year in which a revaluation, in accordance with
12 section 12-62 of the general statutes, of all real property becomes
13 effective, such application may be filed not later than ninety days after
14 such assessment date.
- 15 (c) Failure to file a written notice for classification as public golf

16 course land within the time limit prescribed in subsection (b) of this
17 section shall be considered a waiver of the right to such classification
18 on such assessment list.

19 (d) Any person aggrieved by the denial by an assessor of any
20 application for the classification of land as public golf course land shall
21 have the same rights and remedies for appeal and relief as are
22 provided in the general statutes for taxpayers claiming to be aggrieved
23 by the actions of assessors or boards of assessment appeals.

24 Sec. 2. Subsection (a) of section 12-63 of the general statutes is
25 repealed and the following is substituted in lieu thereof (*Effective*
26 *October 1, 2006, and applicable to assessment years commencing on or after*
27 *October 1, 2006*):

28 (a) The present true and actual value of land classified as farm land
29 pursuant to section 12-107c, as amended, as forest land pursuant to
30 section 12-107d, as amended, or as open space land pursuant to section
31 12-107e, as amended, shall be based upon its current use without
32 regard to neighborhood land use of a more intensive nature, provided
33 in no event shall the present true and actual value of open space land
34 be less than it would be if such open space land comprised a part of a
35 tract or tracts of land classified as farm land pursuant to section 12-
36 107c, as amended. The present true and actual value of land classified
37 as public golf course land pursuant to section 1 of this act shall be
38 based upon its value as open space land plus an assessment based
39 upon per hole depreciated improvements that shall be reduced by
40 forty per cent during the first assessment year after application, sixty
41 per cent during the second year, eighty per cent during the third year
42 and one hundred per cent thereafter. Said reduction shall not include
43 buildings and parking lots, which shall be valued at fair market value.
44 The present true and actual value of all other property shall be deemed
45 by all assessors and boards of assessment appeals to be the fair market
46 value thereof and not its value at a forced or auction sale.

47 Sec. 3. Subsection (b) of section 12-504a of the 2006 supplement to

48 the general statutes is repealed and the following is substituted in lieu
49 thereof (*Effective October 1, 2006, and applicable to assessment years*
50 *commencing on or after October 1, 2006*):

51 (b) Any land which has been classified by the record owner thereof
52 as open space land pursuant to section 12-107e, as amended, or as
53 public golf course land pursuant to section 1 of this act, if sold or
54 transferred by him within a period of ten years from the time he first
55 caused such land to be so classified, shall be subject to a conveyance
56 tax applicable to the total sales price of such land, which tax shall be in
57 addition to the tax imposed under sections 12-494 to 12-504, inclusive,
58 as amended. Said conveyance tax shall be at the following rate: (1) Ten
59 per cent of said total sales price if sold within the first year following
60 the date of such classification; (2) nine per cent if sold within the
61 second year following the date of such classification; (3) eight per cent
62 if sold within the third year following the date of such classification;
63 (4) seven per cent if sold within the fourth year following the date of
64 such classification; (5) six per cent if sold within the fifth year
65 following the date of such classification; (6) five per cent if sold within
66 the sixth year following the date of such classification; (7) four per cent
67 if sold within the seventh year following the date of such classification;
68 (8) three per cent if sold within the eighth year following the date of
69 such classification; (9) two per cent if sold within the ninth year
70 following the date of such classification; and (10) one per cent if sold
71 within the tenth year following the date of such classification. No
72 conveyance tax shall be imposed on such record owner by the
73 provisions of sections 12-504a to 12-504f, inclusive, as amended,
74 following the end of the tenth year after the date of such classification
75 by the record owner or person acquiring title to such land or causing
76 such land to be so classified.

77 Sec. 4. Section 12-504c of the 2006 supplement to the general statutes
78 is repealed and the following is substituted in lieu thereof (*Effective*
79 *October 1, 2006, and applicable to assessment years commencing on or after*
80 *October 1, 2006*):

81 The provisions of section 12-504a, as amended by this act, shall not
 82 be applicable to the following: (1) Transfers of land resulting from
 83 eminent domain proceedings; (2) mortgage deeds; (3) deeds to or by
 84 the United States of America, state of Connecticut or any political
 85 subdivision or agency thereof; (4) strawman deeds and deeds which
 86 correct, modify, supplement or confirm a deed previously recorded; (5)
 87 deeds between husband and wife and parent and child when no
 88 consideration is received, except that a subsequent nonexempt transfer
 89 by the grantee in such cases shall be subject to the provisions of said
 90 section 12-504a as it would be if the grantor were making such
 91 nonexempt transfer; (6) tax deeds; (7) deeds of foreclosure; (8) deeds of
 92 partition; (9) deeds made pursuant to a merger of a corporation; (10)
 93 deeds made by a subsidiary corporation to its parent corporation for
 94 no consideration other than the cancellation or surrender of the capital
 95 stock of such subsidiary; (11) property transferred as a result of death
 96 when no consideration is received and in such transfer the date of
 97 acquisition or classification of the land for purposes of sections 12-504a
 98 to 12-504f, inclusive, as amended, whichever is earlier, shall be the date
 99 of acquisition or classification by the decedent; (12) deeds to any
 100 corporation, trust or other entity, of land to be held in perpetuity for
 101 educational, scientific, aesthetic or other equivalent passive uses,
 102 provided such corporation, trust or other entity has received a
 103 determination from the Internal Revenue Service that contributions to
 104 it are deductible under applicable sections of the Internal Revenue
 105 Code; (13) land subject to a covenant specifically set forth in the deed
 106 transferring title to such land, which covenant is enforceable by the
 107 town in which such land is located, to refrain from selling, transferring
 108 or developing such land in a manner inconsistent with its classification
 109 as farm land pursuant to section 12-107c, as amended, forest land
 110 pursuant to section 12-107d, as amended, [or] open space land
 111 pursuant to section 12-107e, as amended, or public golf course land
 112 pursuant to section 1 of this act for a period of not less than eight years
 113 from the date of transfer, if such covenant is violated the conveyance
 114 tax set forth in this chapter shall be applicable at the rate multiplied by
 115 the market value as determined by the assessor which would have

116 been applicable at the date the deed containing the covenant was
 117 delivered and, in addition, the town or any taxpayer therein may
 118 commence an action to enforce such covenant; (14) land the
 119 development rights to which have been sold to the state under chapter
 120 422a; and (15) deeds to or from any limited liability company when the
 121 grantors or grantees are the same individuals as the principals or
 122 members of the limited liability company. If action is taken under
 123 subdivision (13) of this section by a taxpayer, such action shall
 124 commence prior to the ninth year following the date of the deed
 125 containing such covenant and the town shall be served as a necessary
 126 party.

127 Sec. 5. Section 12-504e of the 2006 supplement to the general statutes
 128 is repealed and the following is substituted in lieu thereof (*Effective*
 129 *October 1, 2006, and applicable to assessment years commencing on or after*
 130 *October 1, 2006*):

131 Any land which has been classified by the owner as farm land
 132 pursuant to section 12-107c, as amended, as forest land pursuant to
 133 section 12-107d, as amended, [or] as open space land pursuant to
 134 section 12-107e, as amended, or as public golf course land pursuant to
 135 section 1 of this act, if changed by him, within a period of ten years of
 136 his acquisition of title, to use other than farm, forest or open space,
 137 shall be subject to said conveyance tax as if there had been an actual
 138 conveyance by him, as provided in sections 12-504a, as amended by
 139 this act, and 12-504b, at the time he makes such change in use. For the
 140 purposes of this section: (1) The value of any such property shall be the
 141 fair market value thereof as determined by the assessor in conjunction
 142 with the most recent revaluation, and (2) the date used for purposes of
 143 determining such tax shall be the date on which the use of such
 144 property is changed, or the date on which the assessor becomes aware
 145 of a change in use of such property, whichever occurs first.

146 Sec. 6. Section 12-504f of the 2006 supplement to the general statutes
 147 is repealed and the following is substituted in lieu thereof (*Effective*
 148 *October 1, 2006, and applicable to assessment years commencing on or after*

149 *October 1, 2006):*

150 The tax assessor shall file annually, not later than sixty days after
 151 the assessment date, with the town clerk a certificate for any land
 152 which has been classified as farm land pursuant to section 12-107c, as
 153 amended, as forest land pursuant to section 12-107d, as amended, [or]
 154 as open space land pursuant to section 12-107e, as amended, or as
 155 public golf course land pursuant to section 1 of this act, which
 156 certificate shall set forth the date of the initial classification and the
 157 obligation to pay the conveyance tax imposed by this chapter. Said
 158 certificate shall be recorded in the land records of such town. Any such
 159 classification of land shall be deemed personal to the particular owner
 160 who requests such classification and shall not run with the land. The
 161 town clerk shall notify the tax assessor of the filing in the land records
 162 of the sale of any such land. Upon receipt of such notice the tax
 163 assessor shall inform the new owner of the tax benefits of classification
 164 of such land as farm land, forest land or open space land.

165 Sec. 7. Section 12-504h of the 2006 supplement to the general statutes
 166 is repealed and the following is substituted in lieu thereof (*Effective*
 167 *October 1, 2006, and applicable to assessment years commencing on or after*
 168 *October 1, 2006):*

169 Any such classification of farm land pursuant to section 12-107c, as
 170 amended, forest land pursuant to section 12-107d, as amended, [or]
 171 open space land pursuant to section 12-107e, as amended, or as public
 172 golf course land pursuant to section 1 of this act shall be deemed
 173 personal to the particular owner who requests and receives such
 174 classification and shall not run with the land. Any such land which has
 175 been classified by a record owner shall remain so classified without the
 176 filing of any new application subsequent to such classification,
 177 notwithstanding the provisions of said sections 12-107c, 12-107d and
 178 12-107e, until either of the following shall occur: (1) The use of such
 179 land is changed to a use other than that described in the application for
 180 the existing classification by said record owner, or (2) such land is sold
 181 or transferred by said record owner. Upon the sale or transfer of any

182 such property, the classification of such land as farm land pursuant to
 183 section 12-107c, as amended, forest land pursuant to section 12-107d,
 184 as amended, or open space land pursuant to section 12-107e, as
 185 amended, shall cease as of the date of sale or transfer. In the event that
 186 a change in use of any such property occurs, the provisions of section
 187 12-504e, as amended, shall apply in terms of determining the date of
 188 change and the classification of such land as farm land pursuant to
 189 section 12-107c, as amended, forest land pursuant to section 12-107d,
 190 as amended, or open space land pursuant to section 12-107e, as
 191 amended, shall cease as of such date.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	New section
Sec. 2	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	12-63(a)
Sec. 3	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	12-504a(b)
Sec. 4	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	12-504c
Sec. 5	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	12-504e
Sec. 6	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	12-504f

Sec. 7	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	12-504h
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ENV *Joint Favorable*

PD *Joint Favorable*